

1 **SPECIAL BOARD WORKSHOP**
2 **OF THE BOARD OF DIRECTORS**
3 **TRABUCO CANYON WATER DISTRICT**

4 **MAY 23, 2011**

5 The Special Board Workshop of the Board of Directors of the Trabuco Canyon Water
6 District (TCWD) was called to order by President Mike Safranski at 6:30 p.m. at Trabuco
7 Canyon Water District's office located at 32003 Dove Canyon Drive, Trabuco Canyon,
8 California. Teresa Teichman, Secretary to the Board of Directors, recorded and transcribed the
9 minutes thereof.

10 **DIRECTORS PRESENT**

11
12 Mike Safranski, President
13 Ed Mandich, Vice President
14 Jim Haselton, Director
15 Glenn Acosta, Director
16 Matt Disston, Director

17 **STAFF PRESENT**

18 Don Chadd, General Manager
19 Hector Ruiz, District Engineer
20 Teresa Teichman, Secretary to the Board of Directors
21 Michael Perea, Special Projects Manager
22 Karen Warner, Accounting Technician

23 **PUBLIC PRESENT**

24 There were no members of the public present.

25 **PLEDGE OF ALLEGIANCE**

26 Director Acosta led the Board and staff in the pledge of allegiance.

27 **VISITOR COMMENTS**

28 There were no visitor comments.

ORAL COMMUNICATION

There were no oral comments.

DIRECTOR'S COMMENTS

There were no Director comments.

REPORT FROM THE GENERAL MANAGER

General Manager, Mr. Don Chadd, advised he was contacted by staff from the City of Rancho Santa Margarita relating to sponsorship opportunities for the upcoming Relay for Life event. Discussion occurred. Each Board of Director and the General Manager are donating personal funds to provide a \$200.00 gift basket for the event.

ACTION CALENDAR

President Safranski stated that the General Manager and staff had reviewed all matters under the Action Calendar prior to the Board's consideration.

ITEM NO. 1A REVIEW OF TRABUCO CANYON WATER DISTRICT'S FISCAL YEAR 2011/2012 GENERAL FUND, CAPITAL IMPROVEMENT PROGRAM, AND DEBT SERVICE DRAFT BUDGET GUIDELINES

Mr. Chadd provided a power point presentation. Mr. Chadd recapped noteworthy factors which influenced TCWD's FY 2010/2011 budget including Metropolitan Water District of Orange County (MET) and Municipal Water District of Orange County (MWDOC) rate and fee increases, record setting rainfall, significant storm damage, and the completion of the Trabuco Creek Wells Facility.

Mr. Chadd reviewed assumptions considered in preparing TCWD's FY 2011/2012 budget including weather patterns, carriage water charges, production of well water, MET and MWDOC increased rates, fees, and charges, revised personnel policy and a reduced staffing model.

Mr. Chadd presented ideas and issues to be investigated during the FY 2011/2012

1 including PERS retirement revisions for new employees, analysis of Portola Hills water fees and
2 IRWD's associated costs to TCWD.

3 Mr. Chadd reviewed capital improvement projects and the debt service schedule for FY
4 2011/2012. Recommended district capital improvement projects were discussed and divided into
5 categories of Regulatory, Emergency, Contractual, Cost Savings, Operational Efficiency and
6 Required Maintenance for purposes of prioritization of projects.

7 Mr. Chadd presented information from NBS relating to TCWD's debt service depicting
8 principal, interest, and administrative costs as it relates to the Community Facilities Districts
9 (CFD's). Also discussed were Certificates of Participation (COPs), restricted and unrestricted
10 funds and district reserves.

11 Discussion occurred. The Board thanked staff for the presentation and directed staff to
12 review information relating to discussion points and to bring the budget to the Board for
13 approval at the time of the June 15, 2011 Regular Board Meeting.

14 **END ACTION CALENDAR**

15 **OTHER MATTERS**

16 There were no other matters discussed.

17 **ADDITIONAL DIRECTORS' COMMENTS**

18 There were no additional director comments.

19 **ADDITIONAL GENERAL MANAGER COMMENTS**

20 There were no additional General Manager's comments.

21 **ADJOURNMENT**

22 At 8:51 p.m. President Safranski adjourned the May 23, 2011 Special Board Workshop.

23 Respectfully Submitted,

24
25
26
27 _____
28 Teresa Teichman
Secretary to the Board of Directors